

Since its establishment, SECOM CO., LTD., has continuously evolved its operations in an effort to enhance the scope and quality of its services. In line with its core objective of providing peace of mind to people anywhere at anytime, in 1966 SECOM launched a pioneering on-line security system, marking the Company's emergence as a provider of advanced security services combining computerized remote monitoring and human support.

Today, SECOM is building on its market-leading security and network capabilities to realize its vision for the future—the Social System Industry, a new social infrastructure created through the provision of comprehensive, integrated services and systems that make life more secure, convenient and comfortable. To this end, the Company has diversified into such areas as information, medical, education, non-life insurance and geographic information system (GIS) services.

The Company has also expanded its on-line security services worldwide through a network of subsidiaries and joint ventures. This global network currently encompasses operations in the United States, the United Kingdom, Australia, Taiwan, the Republic of Korea, Thailand, Malaysia, Singapore, Indonesia and the People's Republic of China (PRC).

CONTENTS

HIGHLIGHTS	1
TO OUR SHAREHOLDERS	2
SPECIAL FEATURE	5
REVIEW OF OPERATIONS.....	12
FINANCIAL SECTION	17
SUPPLEMENTAL NONCONSOLIDATED FINANCIAL DATA.....	45
CORPORATE INFORMATION	49
SECOM'S BASIC BUSINESS AREAS.....	51
BOARD OF DIRECTORS	53
